

**Funding Pure Michigan/HB 4160 – Testimony delivered by Brad Keen**  
**House Natural Resources, Tourism and Outdoor Recreation Committee**  
**Tuesday, February 1, 2011**

Good morning Chairman and members of the Committee. My name is Brad Keen and I am President of Boyne Highlands Resort in Harbor Springs as well as a lifelong resident of this great state. In addition to Boyne Highlands, I am representing Boyne Resorts' Michigan operations including Boyne Mountain, The Inn at Bay Harbor, Bay Harbor Golf Club, Crooked Tree Golf Club, Avalanche Bay Indoor Waterpark and Boyne Country Sports stores, plus the many hard-working individuals who make up Michigan's tourism industry. I'm here today to testify in support of House Bill 4160.

Boyne Resorts was founded in 1947 when a young Detroit-based auto dealer, Everett Kircher, headed to northern Michigan in search of a mountain and a deal. He struck gold in finding a true "mountain of a deal," and purchased what is known today as Boyne Mountain Resort for only \$1. Boyne Mountain was the first in this Michigan-based corporation's collection of resorts and with Boyne Highlands following in 1963, Boyne Resorts—still with home offices in Boyne Falls, Michigan, now owns and/or operates twelve resorts and attractions across North America. The Kircher family remains at the helm and the organization is the largest family-owned four-season resort company in North America. With 1600 passionate team members in Michigan alone, Boyne Resorts is quite dependent on Michigan's economic recovery and we firmly believe tourism is an optimal source for such a turnaround, continued progress and sustainable growth.

It's undeniable that Michigan offers four distinct seasons. At Boyne's northern Michigan resorts, like others throughout the state, we offer a variety of activities year-round, yet only one of the four seasons has the power to simply make or break a year's success. Winter. With warm weather activities such as golf on our eight championship courses, a water park, spas, ziplining, mountain biking, dining, events and so much more, our revenues during the spring, summer and fall months combined account for well less than fifty percent of total annual revenue. Do you realize Michigan has more ski areas than any other state in the U.S.? And winter tourism involves appeal far beyond the downhill slopes. It includes snowmobiling, cross country skiing, dog sledding and a calendar full of winter festivals stretching from Pontiac to Houghton. This winter being only the second in more than ten years that Travel Michigan has had the funding to invest in a campaign to promote winter tourism, we and the many, many tax collecting tourism-related businesses around the state are grateful. Investment three winters ago slightly tipped two million and with a significant portion of the spend focused in the greater Chicago area, BOYNE, and other resorts, hotels and motels, tracked a measurable increase in visits from Illinois. The Pure Michigan campaign positively works! A portion of the \$1.5 million dedicated this year to winter promotion has been matched by Michigan Snowsports

Industries Association through Travel Michigan's popular partnership program. In an update we requested last week, early indications are that this mostly out of state campaign is driving a sharp increase in website traffic and justifiable assumptions can be made that the web visits are converting to ski hill, hotel, restaurant and gas station visits, hence increasing state tax revenues. Many of Michigan's resorts closely track guest origin and we will confirm impacts of this winter campaign at season's end, but on behalf of all members of the winter tourism industry, I wanted to share with you today the good news of the gains we fully anticipate attributing to the Pure Michigan campaign.

With the offerings at our mountain, golf and lakeside resorts in Michigan, BOYNE has significant potential for attracting visitors from throughout the Midwest and from across the country. Yet, with an annual marketing and sales budget of \$3.1 million, we recognize our inability to even scratch the surface of a national reach without an image and frequent exposure such as what Pure Michigan delivers. The further and more often the state's natural beauty is seen in television ads and Tim Allen is heard on the radio reminiscing about the wonders of all things pure in Michigan, the greater the impact and resulting investment in driving tourism becomes. Passage of House Bill 4160 allows us to continue benefitting from a well-executed year-round state tourism campaign and for individual and collective industry members to earn the means to invest in partnerships and independent promotion to enhance the likelihood of a traveling consumer's selection of Michigan as their very next vacation destination. The momentum of the award-winning Pure Michigan campaign, created by the captivating images and sounds, is present right now. Let's preserve or perhaps even increase that momentum by ensuring access to long term funding through an appropriations process. Enable the good work of those at Travel Michigan to continue without interruption due to lacking funds and to consistently drive tax revenues and jobs growth.

I hope I've clearly communicated my purpose for making the trip and requesting your valuable time here today. In closing, on behalf of BOYNE's 1600 Michigan team members who are with me in spirit as we march this march to protect and grow their livelihood, and industry members throughout the state, I urge you to recognize the dynamic results of the Pure Michigan campaign, including a resounding increase in state pride, and to support House Bill 4160.

Thank you for your time. I am happy to answer any questions you may have.

